

REFERENCE TITLE: solar school grant program

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

## HB 2738

Introduced by  
Representatives Farley, Chabin, Lujan, Pancrazi, Sinema, Thrasher:  
Bradley, Campbell CH, Gallardo, Lopes, Mason, Prezelski, Ulmer, Senators  
Aboud, Aguirre, Allen, Soltero

### AN ACT

AMENDING TITLE 15, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 15-213.03 AND 15-213.04; AMENDING SECTION 15-341, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-1510.02; AMENDING TITLE 42, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 9; RELATING TO THE SOLAR SCHOOL GRANT PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 2, article 1, Arizona Revised Statutes,  
3 is amended by adding sections 15-213.03 and 15-213.04, to read:

4 15-213.03. State solar grants program fund

5 A. THE STATE SOLAR GRANTS PROGRAM FUND IS ESTABLISHED CONSISTING OF  
6 MONIES TRANSFERRED BY THE DEPARTMENT OF COMMERCE ENERGY OFFICE PURSUANT TO  
7 SECTION 41-1510.02. THE DEPARTMENT OF EDUCATION SHALL ADMINISTER THE FUND.  
8 MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE  
9 PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

10 B. THE DEPARTMENT OF EDUCATION MAY USE THE MONIES IN THE FUND TO  
11 PROVIDE GRANTS TO SCHOOL DISTRICTS FOR SOLAR EDUCATION PROGRAMS IN SCHOOLS  
12 THAT USE SOLAR TECHNOLOGY. THE SOLAR EDUCATION PROGRAMS MAY INCLUDE SOLAR  
13 OPEN HOUSES AND OTHER DEMONSTRATION PROJECTS. SCHOOL DISTRICTS MAY APPLY TO  
14 THE DEPARTMENT OF EDUCATION FOR GRANTS FROM THE FUND. THE DEPARTMENT OF  
15 EDUCATION SHALL PRESCRIBE THE FORMAT OF THE APPLICATIONS, APPLICATION  
16 PROCEDURES AND SELECTION CRITERIA.

17 15-213.04. Solar conversion of schools; notification

18 THE STATE BOARD OF EDUCATION SHALL NOTIFY THE DIRECTOR OF THE  
19 DEPARTMENT OF COMMERCE ENERGY OFFICE AND THE DIRECTOR OF THE DEPARTMENT OF  
20 REVENUE IN WRITING WHEN ALL SCHOOLS IN ALL SCHOOL DISTRICTS IN THIS STATE  
21 HAVE CONVERTED TO SOLAR TECHNOLOGY.

22 Sec. 2. Section 15-341, Arizona Revised Statutes, is amended to read:

23 15-341. General powers and duties; immunity; delegation

24 A. The governing board shall:

25 1. Prescribe and enforce policies and procedures for the governance of  
26 the schools, not inconsistent with law or rules prescribed by the state board  
27 of education.

28 2. Maintain the schools established by it for the attendance of each  
29 pupil for a period of not less than one hundred seventy-five school days or  
30 two hundred school days, as applicable, or its equivalent as approved by the  
31 superintendent of public instruction for a school district operating on a  
32 year-round operation basis, to offer an educational program on the basis of a  
33 four day school week or to offer an alternative kindergarten program on the  
34 basis of a three day school week, in each school year, and if the funds of  
35 the district are sufficient, for a longer period, and as far as practicable  
36 with equal rights and privileges.

37 3. Exclude from schools all books, publications, papers or audiovisual  
38 materials of a sectarian, partisan or denominational character.

39 4. Manage and control the school property within its district.

40 5. Acquire school furniture, apparatus, equipment, library books and  
41 supplies for the use of the schools.

42 6. Prescribe the curricula and criteria for the promotion and  
43 graduation of pupils as provided in sections 15-701 and 15-701.01.

44 7. Furnish, repair and insure, at full insurable value, the school  
45 property of the district.

1           8. Construct school buildings on approval by a vote of the district  
2 electors.

3           9. Make in the name of the district conveyances of property belonging  
4 to the district and sold by the board.

5           10. Purchase school sites when authorized by a vote of the district at  
6 an election conducted as nearly as practicable in the same manner as the  
7 election provided in section 15-481 and held on a date prescribed in section  
8 15-491, subsection E, but such authorization shall not necessarily specify  
9 the site to be purchased and such authorization shall not be necessary to  
10 exchange unimproved property as provided in section 15-342, paragraph 23.

11           11. Construct, improve and furnish buildings used for school purposes  
12 when such buildings or premises are leased from the national park service.

13           12. Purchase school sites or construct, improve and furnish school  
14 buildings from the proceeds of the sale of school property only on approval  
15 by a vote of the district electors.

16           13. Hold pupils to strict account for disorderly conduct on school  
17 property.

18           14. Discipline students for disorderly conduct on the way to and from  
19 school.

20           15. Except as provided in section 15-1224, deposit all monies received  
21 by the district as gifts, grants and devises with the county treasurer, who  
22 shall credit the deposits as designated in the uniform system of financial  
23 records. If not inconsistent with the terms of the gifts, grants and devises  
24 given, any balance remaining after expenditures for the intended purpose of  
25 the monies have been made shall be used for reduction of school district  
26 taxes for the budget year, except that in the case of accommodation schools  
27 the county treasurer shall carry the balance forward for use by the county  
28 school superintendent for accommodation schools for the budget year.

29           16. Provide that, if a parent or legal guardian chooses not to accept a  
30 decision of the teacher as provided in section 15-521, paragraph 3, the  
31 parent or legal guardian may request in writing that the governing board  
32 review the teacher's decision. Nothing in this paragraph shall be construed  
33 to release school districts from any liability relating to a child's  
34 promotion or retention.

35           17. Provide for adequate supervision over pupils in instructional and  
36 noninstructional activities by certificated or noncertificated personnel.

37           18. Use school monies received from the state and county school  
38 apportionment exclusively for payment of salaries of teachers and other  
39 employees and contingent expenses of the district.

40           19. Make an annual report to the county school superintendent on or  
41 before October 1 each year in the manner and form and on the blanks  
42 prescribed by the superintendent of public instruction or county school  
43 superintendent. The board shall also make reports directly to the county  
44 school superintendent or the superintendent of public instruction whenever  
45 required.

1       20. Deposit all monies received by school districts other than student  
2 activities monies or monies from auxiliary operations as provided in sections  
3 15-1125 and 15-1126 with the county treasurer to the credit of the school  
4 district except as provided in paragraph 21 of this subsection and sections  
5 15-1223 and 15-1224, and the board shall expend the monies as provided by law  
6 for other school funds.

7       21. Establish a bank account in which the board during a month may  
8 deposit miscellaneous monies received directly by the district. The board  
9 shall remit monies deposited in the bank account at least monthly to the  
10 county treasurer for deposit as provided in paragraph 20 of this subsection  
11 and in accordance with the uniform system of financial records.

12       22. Employ an attorney admitted to practice in this state whose  
13 principal practice is in the area of commercial real estate, or a real estate  
14 broker who is licensed by this state and who is employed by a reputable  
15 commercial real estate company, to negotiate a lease of five or more years  
16 for the school district if the governing board decides to enter into a lease  
17 of five or more years as lessor of school buildings or grounds as provided in  
18 section 15-342, paragraph 7 or 10. Any lease of five or more years  
19 negotiated pursuant to this paragraph shall provide that the lessee is  
20 responsible for payment of property taxes pursuant to the requirements of  
21 section 42-11104.

22       23. Prescribe and enforce policies and procedures for disciplinary  
23 action against a teacher who engages in conduct that is a violation of the  
24 policies of the governing board but that is not cause for dismissal of the  
25 teacher or for revocation of the certificate of the teacher. Disciplinary  
26 action may include suspension without pay for a period of time not to exceed  
27 ten school days. Disciplinary action shall not include suspension with pay  
28 or suspension without pay for a period of time longer than ten school days.  
29 The procedures shall include notice, hearing and appeal provisions for  
30 violations that are cause for disciplinary action. The governing board may  
31 designate a person or persons to act on behalf of the board on these matters.

32       24. Prescribe and enforce policies and procedures for disciplinary  
33 action against an administrator who engages in conduct that is a violation of  
34 the policies of the governing board regarding duties of administrators but  
35 that is not cause for dismissal of the administrator or for revocation of the  
36 certificate of the administrator. Disciplinary action may include suspension  
37 without pay for a period of time not to exceed ten school days. Disciplinary  
38 action shall not include suspension with pay or suspension without pay for a  
39 period of time longer than ten school days. The procedures shall include  
40 notice, hearing and appeal provisions for violations that are cause for  
41 disciplinary action. The governing board may designate a person or persons  
42 to act on behalf of the board on these matters. For violations that are  
43 cause for dismissal, the provisions of notice, hearing and appeal in chapter  
44 5, article 3 of this title shall apply. The filing of a timely request for a

1 hearing suspends the imposition of a suspension without pay or a dismissal  
2 pending completion of the hearing.

3 25. Notwithstanding section 13-3108, prescribe and enforce policies and  
4 procedures that prohibit a person from carrying or possessing a weapon on  
5 school grounds unless the person is a peace officer or has obtained specific  
6 authorization from the school administrator.

7 26. Prescribe and enforce policies and procedures relating to the  
8 health and safety of all pupils participating in district sponsored practice  
9 sessions, games or other interscholastic athletic activities, including the  
10 provision of water.

11 27. Prescribe and enforce policies and procedures regarding the smoking  
12 of tobacco within school buildings. The policies and procedures shall be  
13 adopted in consultation with school district personnel and members of the  
14 community and shall state whether smoking is prohibited in school  
15 buildings. If smoking in school buildings is not prohibited, the policies  
16 and procedures shall clearly state the conditions and circumstances under  
17 which smoking is permitted, those areas in a school building that may be  
18 designated as smoking areas and those areas in a school building that may not  
19 be designated as smoking areas.

20 28. Establish an assessment, data gathering and reporting system as  
21 prescribed in chapter 7, article 3 of this title.

22 29. Provide special education programs and related services pursuant to  
23 section 15-764, subsection A to all children with disabilities as defined in  
24 section 15-761.

25 30. Administer competency tests prescribed by the state board of  
26 education for the graduation of pupils from high school.

27 31. Secure insurance coverage for all construction projects for  
28 purposes of general liability, property damage and workers' compensation and  
29 secure performance and payment bonds for all construction projects.

30 32. Keep on file the resumes of all current and former employees who  
31 provide instruction to pupils at a school. Resumes shall include an  
32 individual's educational and teaching background and experience in a  
33 particular academic content subject area. A school district shall inform  
34 parents and guardians of the availability of the resume information and shall  
35 make the resume information available for inspection on request of parents  
36 and guardians of pupils enrolled at a school. Nothing in this paragraph  
37 shall be construed to require any school to release personally identifiable  
38 information in relation to any teacher or employee, including the teacher's  
39 or employee's address, salary, social security number or telephone number.

40 33. Report to local law enforcement agencies any suspected crime  
41 against a person or property that is a serious offense as defined in section  
42 13-604 or that involves a deadly weapon or dangerous instrument or serious  
43 physical injury and any conduct that poses a threat of death or serious  
44 physical injury to employees, students or anyone on the property of the  
45 school. This paragraph does not limit or preclude the reporting by a school

1 district or an employee of a school district of suspected crimes other than  
2 those required to be reported by this paragraph. For the purposes of this  
3 paragraph, "dangerous instrument", "deadly weapon" and "serious physical  
4 injury" have the same ~~meaning~~ MEANINGS prescribed in section 13-105.

5 34. In conjunction with local law enforcement agencies and local  
6 medical facilities, develop an emergency response plan for each school in the  
7 school district in accordance with minimum standards developed jointly by the  
8 department of education and the division of emergency management within the  
9 department of emergency and military affairs.

10 35. Annually assign at least one school district employee to  
11 participate in a multihazard crisis training program developed or selected by  
12 the governing board.

13 36. Provide written notice to the parents or guardians of all students  
14 affected in the school district at least thirty days prior to a public  
15 meeting to discuss closing a school within the school district. The notice  
16 shall include the reasons for the proposed closure and the time and place of  
17 the meeting. The governing board shall fix a time for a public meeting on  
18 the proposed closure no less than thirty days before voting in a public  
19 meeting to close the school. The school district governing board shall give  
20 notice of the time and place of the meeting. At the time and place  
21 designated in the notice, the school district governing board shall hear  
22 reasons for or against closing the school. The school district governing  
23 board is exempt from this paragraph if it is determined by the governing  
24 board that the school shall be closed because it poses a danger to the health  
25 or safety of the pupils or employees of the school.

26 37. Incorporate instruction on Native American history into appropriate  
27 existing curricula.

28 38. Prescribe and enforce policies and procedures allowing pupils who  
29 have been diagnosed with anaphylaxis by a health care provider licensed  
30 pursuant to title 32, chapter 13, 14, 17 or 25 or by a registered nurse  
31 practitioner licensed and certified pursuant to title 32, chapter 15 to carry  
32 and self-administer emergency medications including auto-injectable  
33 epinephrine while at school and at school sponsored activities. The pupil's  
34 name on the prescription label on the medication container or on the  
35 medication device and annual written documentation from the pupil's parent or  
36 guardian to the school that authorizes possession and self-administration is  
37 sufficient proof that the pupil is entitled to the possession and  
38 self-administration of the medication. The policies shall require a pupil  
39 who uses auto-injectable epinephrine while at school and at school sponsored  
40 activities to notify the nurse or the designated school staff person of the  
41 use of the medication as soon as practicable. A school district and its  
42 employees are immune from civil liability with respect to all decisions made  
43 and actions taken that are based on good faith implementation of the  
44 requirements of this paragraph, except in cases of wanton or wilful neglect.

1        39. Allow the possession and self-administration of prescription  
2 medication for breathing disorders in handheld inhaler devices, ~~by~~ pupils  
3 who have been prescribed that medication by a health care professional  
4 licensed pursuant to title 32. The pupil's name on the prescription label on  
5 the medication container or on the handheld inhaler device and annual written  
6 documentation from the pupil's parent or guardian to the school that  
7 authorizes possession and self-administration shall be sufficient proof that  
8 the pupil is entitled to the possession and self-administration of the  
9 medication. A school district and its employees are immune from civil  
10 liability with respect to all decisions made and actions taken that are based  
11 on a good faith implementation of the requirements of this paragraph.

12        40. Prescribe and enforce policies and procedures to prohibit pupils  
13 from harassing, intimidating and bullying other pupils on school grounds, on  
14 school property, on school buses, at school bus stops and at school sponsored  
15 events and activities that include the following components:

16            (a) A procedure for pupils to confidentially report to school  
17 officials incidents of harassment, intimidation or bullying.

18            (b) A procedure for parents and guardians of pupils to submit written  
19 reports to school officials of suspected incidents of harassment,  
20 intimidation or bullying.

21            (c) A requirement that school district employees report suspected  
22 incidents of harassment, intimidation or bullying to the appropriate school  
23 official.

24            (d) A formal process for the documentation of reported incidents of  
25 harassment, intimidation or bullying, except that no documentation shall be  
26 maintained unless the harassment, intimidation or bullying has been proven.

27            (e) A formal process for the investigation by the appropriate school  
28 officials of suspected incidents of harassment, intimidation or bullying.

29            (f) Disciplinary procedures for pupils who have admitted or been found  
30 to have committed incidents of harassment, intimidation or bullying.

31            (g) A procedure that sets forth consequences for submitting false  
32 reports of incidents of harassment, intimidation or bullying.

33        41. Prescribe and enforce policies and procedures regarding changing  
34 or adopting attendance boundaries that include the following components:

35            (a) A procedure for holding public meetings to discuss attendance  
36 boundary changes or adoptions that allows public comments.

37            (b) A procedure to notify the parents or guardians of the students  
38 affected.

39            (c) A procedure to notify the residents of the households affected by  
40 the attendance boundary changes.

41            (d) A process for placing public meeting notices and proposed maps on  
42 the school district's website for public review, if the school district  
43 maintains a website.

(e) A formal process for presenting the attendance boundaries of the affected area in public meetings that allows public comments.

(f) A formal process for notifying the residents and parents or guardians of the affected area as to the decision of the governing board on the school district's website, if the school district maintains a website.

(g) A formal process for updating attendance boundaries on the school district's website within ninety days of an adopted boundary change. The school district shall send a direct link to the school district's attendance boundaries website to the department of real estate.

(h) If the land that a school was built on was donated within the past five years, a formal process to notify the entity ~~who~~ THAT donated the land affected by the decision of the governing board.

42. PRESCRIBE AND ENFORCE POLICIES AND PROCEDURES TO INSTALL SOLAR TECHNOLOGY IN THE SCHOOLS IN THE SCHOOL DISTRICT. SCHOOLS THAT USE SOLAR TECHNOLOGY SHALL PERFORM AN ENERGY AUDIT, USE ENERGY EFFICIENT TECHNOLOGIES AND BEST PRACTICES AND MEET THE RENEWABLE PORTFOLIO STANDARDS ESTABLISHED BY THE CORPORATION COMMISSION. EACH SCHOOL DISTRICT THAT USES SOLAR TECHNOLOGY SHALL ESTABLISH A SOLAR SCHOOL FUND AND DEPOSIT ANY REVENUES FROM NET METERING IN THE SOLAR SCHOOL FUND. WHEN THE DEPARTMENT OF COMMERCE ENERGY OFFICE RECEIVES NOTICE FROM THE STATE BOARD OF EDUCATION PURSUANT TO SECTION 15-213.04, THE SCHOOL DISTRICT SHALL TRANSFER THE REVENUES IN THE SOLAR SCHOOL FUND TO THE MAINTENANCE AND OPERATION SECTION OF THE BUDGET. THE GOVERNING BOARD SHALL DISTRIBUTE MONIES RECEIVED FROM THE DEPARTMENT OF COMMERCE ENERGY OFFICE PURSUANT TO SECTION 41-1510.02 TO SCHOOLS IN THE SCHOOL DISTRICT AS FOLLOWS:

(a) PRIORITY SHALL BE GIVEN TO THE INSTALLATION OF SOLAR TECHNOLOGY IN NEW SCHOOL FACILITIES.

(b) AFTER THE INSTALLATION OF SOLAR TECHNOLOGY AS PROVIDED IN SUBDIVISION (a) OF THIS PARAGRAPH, PRIORITY SHALL NEXT BE GIVEN TO THE INSTALLATION OF SOLAR TECHNOLOGY IN EXISTING SCHOOL FACILITIES, WITH INITIAL PRIORITY GIVEN TO THE INSTALLATION OF SOLAR TECHNOLOGY IN THE SMALLER SCHOOLS IN THE SCHOOL DISTRICT.

B. Notwithstanding subsection A, paragraphs 8, 10 and 12 of this section, the county schoolsuperintendent may construct, improve and furnish school buildings or purchase or sell school sites in the conduct of an accommodation school.

C. If any school district acquires real or personal property, whether by purchase, exchange, condemnation, gift or otherwise, the governing board shall pay to the county treasurer any taxes on the property that were unpaid as of the date of acquisition, including penalties and interest. The lien for unpaid delinquent taxes, penalties and interest on property acquired by a school district:

1. Is not abated, extinguished, discharged or merged in the title to the property.

2. Is enforceable in the same manner as other delinquent tax liens.



1           D. The governing board may not locate a school on property that is  
2 less than one-fourth mile from agricultural land regulated pursuant to  
3 section 3-365, except that the owner of the agricultural land may agree to  
4 comply with the buffer zone requirements of section 3-365. If the owner  
5 agrees in writing to comply with the buffer zone requirements and records the  
6 agreement in the office of the county recorder as a restrictive covenant  
7 running with the title to the land, the school district may locate a school  
8 within the affected buffer zone. The agreement may include any stipulations  
9 regarding the school, including conditions for future expansion of the school  
10 and changes in the operational status of the school that will result in a  
11 breach of the agreement.

12           E. A school district, its governing board members, its school council  
13 members and its employees are immune from civil liability for the  
14 consequences of adoption and implementation of policies and procedures  
15 pursuant to subsection A of this section and section 15-342. This waiver  
16 does not apply if the school district, its governing board members, its  
17 school council members or its employees are guilty of gross negligence or  
18 intentional misconduct.

19           F. A governing board may delegate in writing to a superintendent,  
20 principal or head teacher the authority to prescribe procedures that are  
21 consistent with the governing board's policies.

22           G. Notwithstanding any other provision of this title, a school  
23 district governing board shall not take any action that would result in an  
24 immediate reduction or a reduction within three years of pupil square footage  
25 that would cause the school district to fall below the minimum adequate gross  
26 square footage requirements prescribed in section 15-2011, subsection C,  
27 unless the governing board notifies the school facilities board established  
28 by section 15-2001 of the proposed action and receives written approval from  
29 the school facilities board to take the action. A reduction includes an  
30 increase in administrative space that results in a reduction of pupil square  
31 footage or sale of school sites or buildings, or both. A reduction includes  
32 a reconfiguration of grades that results in a reduction of pupil square  
33 footage of any grade level. This subsection does not apply to temporary  
34 reconfiguration of grades to accommodate new school construction if the  
35 temporary reconfiguration does not exceed one year. The sale of equipment  
36 that results in an immediate reduction or a reduction within three years that  
37 falls below the equipment requirements prescribed in section 15-2011,  
38 subsection B is subject to commensurate withholding of school district  
39 capital outlay revenue limit monies pursuant to the direction of the school  
40 facilities board. Except as provided in section 15-342, paragraph 10,  
41 proceeds from the sale of school sites, buildings or other equipment shall be  
42 deposited in the school plant fund as provided in section 15-1102.

43           H. Subsections C through G of this section apply to a county board of  
44 supervisors and a county school superintendent when operating and  
45 administering an accommodation school.

1 I. Until the state board of education and the auditor general adopt  
 2 rules pursuant to section 15-213, subsection I, a school district may procure  
 3 construction services, including services for new school construction  
 4 pursuant to section 15-2041, by the construction-manager-at-risk,  
 5 design-build and job-order-contracting methods of project delivery as  
 6 provided in title 41, chapter 23, except that the rules adopted by the  
 7 director of the department of administration do not apply to procurements  
 8 pursuant to this subsection. Any procurement commenced pursuant to this  
 9 subsection may be completed pursuant to this subsection.

10 Sec. 3. Title 41, chapter 10, article 1, Arizona Revised Statutes, is  
 11 amended by adding section 41-1510.02, to read:

12 41-1510.02. Solar school grant program; fund; program  
 13 termination

14 A. THE DEPARTMENT SHALL ESTABLISH A SOLAR SCHOOL GRANT PROGRAM TO  
 15 ENCOURAGE THE INSTALLATION OF SOLAR TECHNOLOGY IN SCHOOLS IN THIS STATE.

16 B. THE SOLAR SCHOOL GRANT PROGRAM FUND IS ESTABLISHED CONSISTING OF  
 17 THE FOLLOWING:

18 1. MONIES COLLECTED PURSUANT TO SECTION 42-5401, SUBSECTION A.

19 2. MONIES RECEIVED THROUGH GIFTS, GRANTS AND DONATIONS.

20 C. THE DIRECTOR OF THE DEPARTMENT'S ENERGY OFFICE SHALL ADMINISTER THE  
 21 PROGRAM AND THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND  
 22 ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF  
 23 APPROPRIATIONS. NOT MORE THAN FIVE PER CENT OF MONIES DEPOSITED IN THE FUND  
 24 ANNUALLY SHALL BE USED FOR THE COST OF ADMINISTERING THE FUND. ON NOTICE  
 25 FROM THE DIRECTOR, THE STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE  
 26 FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL  
 27 BE CREDITED TO THE FUND.

28 D. BEGINNING MARCH 1, 2010 AND EACH MARCH 1 THEREAFTER, MONIES IN THE  
 29 SOLAR SCHOOL GRANT PROGRAM FUND SHALL BE DISBURSED BY THE DIRECTOR OF THE  
 30 DEPARTMENT'S ENERGY OFFICE AS FOLLOWS:

31 1. ONE PER CENT OF THE MONIES IN THE FUND OR TWO HUNDRED FIFTY  
 32 THOUSAND DOLLARS, WHICHEVER IS LESS, TO THE DEPARTMENT OF EDUCATION FOR  
 33 GRANTS FOR SOLAR EDUCATION PROGRAMS PURSUANT TO SECTION 15-213.03.

34 2. THE REMAINDER OF THE MONIES SHALL BE DISTRIBUTED TO SCHOOL  
 35 DISTRICTS ON A PER PUPIL BASIS FOR THE INSTALLATION OF SOLAR TECHNOLOGY AS  
 36 PRESCRIBED IN SECTION 15-341, SUBSECTION A, PARAGRAPH 42 IN AN AMOUNT  
 37 PRORATED TO CORRESPOND TO THE RATIO THE SCHOOL DISTRICT'S STUDENT COUNT BEARS  
 38 TO THE TOTAL STUDENT COUNT OF ALL SCHOOL DISTRICTS IN THIS STATE.

39 E. MONIES IN THE FUND SHALL BE USED TO SUPPLEMENT, NOT SUPPLANT,  
 40 MONIES THAT WOULD OTHERWISE BE MADE AVAILABLE TO SCHOOLS AND THE DEPARTMENT  
 41 OF EDUCATION.

42 G. NOTWITHSTANDING SECTION 41-3102, ON NOTIFICATION BY THE STATE BOARD  
 43 OF EDUCATION PURSUANT TO SECTION 15-213.04, THE PROGRAM ESTABLISHED BY THIS  
 44 SECTION ENDS ON THE DATE INDICATED ON THE NOTICE.

1       Sec. 4. Title 42, chapter 5, Arizona Revised Statutes, is amended by  
2 adding article 9, to read:

3               ARTICLE 9. ELECTRICITY CONSUMPTION TAX

4       42-5401. Levy of tax; exemption; termination

5       A. FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2008, THERE  
6 IS LEVIED AND THE DEPARTMENT SHALL COLLECT A TAX ON THE BUSINESS OF  
7 DELIVERING ELECTRICITY FOR CONSUMPTION. THE TAX IS LEVIED AT THE FOLLOWING  
8 RATES:

9       1. .05 OF ONE CENT PER KILOWATT HOUR OF ELECTRICITY DELIVERED TO A  
10 RESIDENTIAL CUSTOMER FOR RESIDENTIAL CONSUMPTION.

11       2. .07 OF ONE CENT PER KILOWATT HOUR OF ELECTRICITY DELIVERED TO A  
12 COMMERCIAL CUSTOMER FOR COMMERCIAL CONSUMPTION.

13       3. .07 OF ONE CENT PER KILOWATT HOUR OF ELECTRICITY DELIVERED TO AN  
14 INDUSTRIAL CUSTOMER FOR INDUSTRIAL CONSUMPTION.

15       4. .07 OF ONE CENT PER KILOWATT HOUR OF ELECTRICITY DELIVERED TO ANY  
16 CUSTOMER THAT IS NOT INCLUDED IN PARAGRAPH 1, 2 OR 3.

17       B. THE TAX UNDER THIS SECTION DOES NOT APPLY TO ANY KILOWATT HOUR OF  
18 ELECTRICITY THAT IS GENERATED FROM RENEWABLE SOURCES.

19       C. THE TAX IS DUE AND PAYABLE TO THE DEPARTMENT FOR EACH CALENDAR YEAR  
20 ON OR BEFORE FEBRUARY 15 OF THE FOLLOWING YEAR. THE DEPARTMENT SHALL  
21 PRESCRIBE AND FURNISH ANNUAL RETURN FORMS FOR REPORTING AND PAYING THE TAX.

22       D. ON NOTIFICATION BY THE STATE BOARD OF EDUCATION PURSUANT TO SECTION  
23 15-213.04, THE TAX UNDER THIS ARTICLE TERMINATES AND THE DEPARTMENT SHALL  
24 CEASE COLLECTING THE TAX.

25       42-5402. Administration; disposition of revenues

26       A. UNLESS THE CONTEXT OTHERWISE REQUIRES, ARTICLE 1 OF THIS CHAPTER  
27 GOVERNS THE ADMINISTRATION OF THE TAX IMPOSED BY THIS ARTICLE.

28       B. A SEPARATE BOND IS NOT REQUIRED OF EMPLOYEES OF THE DEPARTMENT IN  
29 ADMINISTERING THIS ARTICLE.

30       C. THE DEPARTMENT SHALL SEPARATELY ACCOUNT FOR THE MONIES PAID UNDER  
31 THIS ARTICLE AND SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, THE  
32 NET REVENUES COLLECTED UNDER THIS ARTICLE IN THE SOLAR SCHOOL GRANT PROGRAM  
33 FUND ESTABLISHED BY SECTION 41-1510.02.

34       Sec. 5. Requirements for enactment; two-thirds vote

35       Pursuant to article IX, section 22, Constitution of Arizona, this act  
36 is effective only on the affirmative vote of at least two-thirds of the  
37 members of each house of the legislature and is effective immediately on the  
38 signature of the governor or, if the governor vetoes this act, on the  
39 subsequent affirmative vote of at least three-fourths of the members of each  
40 house of the legislature.